

September 15, 2010

ITEM NO. B6

**AUTHORIZATION TO EXECUTE A CONTRACT WITH MCDONAGH
DEMOLITION, INC. FOR DEMOLITION SERVICES AT LECLAIRE COURTS
EXTENSION - GROUP 2**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to execute a contract for demolition services at LeClaire Courts Extension – Group 2 with McDonagh Demolition, Inc. The contract covers the demolition of seventy-two (72) dwelling units at nine (9) buildings for a firm fixed fee of \$408,790.00. The demolition work and associated site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

RECOMMENDATION SUMMARY

Funding: General Fund

Specification No: 10 – 00575

Vendor: McDonagh Demolition, Inc.
1269 W. LeMonyne Street
Chicago, IL 60642

Contract Type: Demolition	Date Advertised:	July 27, 2010
Contract Amount: \$408,790.00	Pre-Bid Conference:	August 3, 2010
Number of Vendors Solicited: 264 (Including 134 MBE and 6 WBE Firms)	Site Visit:	August 3, 2010
Assist Agencies: 69: Non-Minority 55	Addendum No. 1 Issued:	August 12, 2010
Number of Pick-Ups/Downloads: 35 (Including 27 downloaded from BuySpeed and 8 walk ins)	Date Bid Opened:	August 19, 2010
Number of Bids Received: 8	Advertisement Publication(s):	Chicago Sun-Times Chicago Defender El Dia CHA Website BuySpeed Online
Contract Time: Ninety (90) calendar days from the date set forth in the Notice to Proceed		

M/W/DBE Participation:

Direct MBE 30 % WBE 70 % DBE %
Indirect MBE % WBE % DBE %
Waiver N (Yes/No)

Section 3:

Hiring # 2 Subcontracting \$ _____ Other Economic Opportunities \$ _____

GENERAL BACKGROUND

As part of the Capital Improvement Program, the Chicago Housing Authority (CHA) solicited bids to perform demolition work at LeClaire Courts Extension (IL2-015). LeClaire Courts extends along the west side of South Cicero Avenue from 44th Street to 45th Street. The structures to be demolished no longer serve a useful purpose and their demolition is needed as part of the ongoing renovation of CHA developments under the Plan for Transformation. The demolition work at LeClaire Courts Extension was split into several bid packages to provide more contracting opportunities for vendors. Demolition, site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

PROCUREMENT HISTORY

The CHA advertised Invitation for Bid (IFB) No. 10 – 00575 on July 27, 2010 for the demolition of dwelling units at LeClaire Courts Extension – Group 2. The IFB was advertised in the Chicago Sun-Times, the Chicago Defender and El Dia, and on the CHA website and at BuySpeed Online. The pre-bid meeting and site visit were held on August 3, 2010. The CHA issued Addendum No. 1 on August 12, 2010. This Addendum responded to Requests for Information, distributed revised BF Pages, and replaced certain articles in the Special Conditions. The CHA received and opened eight (8) bids on August 19, 2010 at 11:00 a.m.

After reviewing the bid submittal materials, the Department of Procurement and Contracts and the Capital Construction Department held a pre-award survey meeting with the apparent lowest bidder, McDonagh Demolition, Inc. The firm responded to questions on the thoroughness of its bid and its capacity to perform this work. With the reviews, analysis and meetings completed, the Department of Procurement and Contracts has determined that McDonagh Demolition, Inc. is the lowest responsive and responsible bidder for Group1 at \$408,790.00.

Based on the foregoing, it is in the CHA's best interest for the Board of Commissioners to authorize the Chief Executive Officer or his designee to execute a contract with McDonagh Demolition, Inc. for demolition services at LeClaire Courts Extension – Group 2 for a firm fixed fee of \$408,790.00. The demolition work and associated site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

RESOLUTION NO. 2010-CHA-110

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated September 15, 2010 entitled “AUTHORIZATION TO EXECUTE A CONTRACT WITH MCDONAGH DEMOLITION, INC. FOR DEMOLITION SERVICES AT LECLAIRE COURTS EXTENSION – GROUP 2”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a contract with McDonagh Demolition, Inc. for demolition services at LeClaire Courts Extension (IL2-015) - Group 2 for a firm fixed fee of \$408,790.00. The contract will cover the demolition of seven-two (72) dwelling units at nine (9) buildings. The demolition work and associated site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

